

SW 04210A-10-0392

ORIGINAL



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ARIZONA CORPORATION COMMIS

UTILITY COMPLAINT FORM

Investigator: [REDACTED]

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2011 - 94924

Date: 5/2/2011

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Sam Last: Hughlett

Account Name: Sam and Joy Hughlett

Home: (000) 000-0000

Street: n/a

Work:

City: n/a

CBR:

State: AZ Zip: 00000

is:

Utility Company: The Links at Coyote Wash Utilities, LLC

Division: Sewer/Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

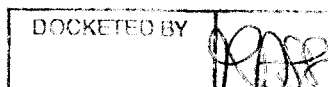
Nature of Complaint:

Arizona Corporation Commission

From: Joy Hughlett [mailto:[REDACTED]]
Sent: Friday, April 29, 2011 1:18 PM
To: Bradley Morton
Subject: Sewer rate increase

MAY 3 2011

To Whom It May Concern
DOC # SW-04210A-10-0392



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DOCKET CONTROL

I am in agreement with the attached letter from Ken and Anna Wilkes.

If The Links at Coyote Wash Utilities, LLC better managed what they had, they wouldn't be having to depend on everyone else to get them out of their messes, by increasing their sewer bill. They do nothing around here to help Coyote Wash, which is falling apart and it is not from lack of funds, they would have the funds if they managed correctly and get out and find out who is not paying their fair share. The system stinks, literally smells on the golf course at phase #1 and #2. I don't know how the residents stand the smell (which is so very unhealthy) I know OSHA would not like it. Also, phase #1 and #2 have as many as 5 RV's on one lot in the winter and no more than two are suppose to be on one lot...and they are all taking advantage of one sewer hookup, it is this kind of thing, plus not collecting revenue from the parcels not paying is just wrong. Why isn't anything said to them? This is what The Links calls well managed?? Get up and out and find out who isn't paying for the service and make them pay like everyone else.

Many of the residents out for walks and playing golf have seen the sewer trucks coming and going and dumping sewage at #3. Ken, stated that it was presumed to be sewage into the man hole...it WAS sewage, because they let it drip all over the street when they were done. We have all seen the truck's and they are from the City of Wellton. Some pictures have been taken. The street is still stained from the mess. This is a very sad situation, for a place that had some real promise and now can't seem to handle the situation.

Thank you
Sam & Joy Hughlett

ARIZONA CORPORATION COMMISSION
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ATTached

COMMENTS: Re: The Links at Coyote Wash Utilities, LLC request for a rate increase. DOC # SW-04210A-10-0392

We were surprised by the request for an increase in Revenues of \$60,000 by the Utility and the Commission staff recommendation of approximately \$39,000. Given the revenue shortfall was \$6,206 that would have required 18 more users for the year to break even. This would not have been a difficult task to accomplish except for mismanagement by the Utility and the Developer. Of course there would be a need for additional funds for maintenance, etc. but not to the amounts discussed above. The issue boils down to not charging all parcel holders appropriately for their usage of the system and not charging owners of vacant lots an appropriate amount because they opted to ignore the CC&R's in place when they purchased the lot (parcel). Specifically they were given the CC&R's before purchase that stated they had to begin building in 2 years and complete within 4 years. I can only conjecture that the Developer's business plan was based on those parcels contributing to the operation of the Sewer System. Furthermore, there are a large number of parcels that have multiple hook ups to the Sewer System who are paying the rate for a single connection. If the Developer/Utility was managing these issues and not ignoring the CC&R's there would be no need for a large increase in monthly charges if any at all.

Another disturbing point, recently (this winter) on several occasions residents of Coyote Wash #3 have observed an unmarked truck dumping what is presumed to be sewage into a man hole in a remote section of the development. Some poor quality pictures are available should you wish to have them. The questions are: who is doing this, are they authorized by the Developer/Utility and how much are they being charged if at all. The sanitation of such an operation is highly questionable as well.

In summary we the residents do not feel it is appropriate to incur a large increase in monthly fees because poor management and record keeping by the Developer/Utility. With very little work they could find the abuses mentioned above and receive enough funds to more than break even. That all being said, we need a reliable, well maintained Sewer System in all Phases of Coyote Wash, but all the burden cannot be put on the backs of those who have been meeting their obligations.

There has been no open forum with all interested parties attending to discuss these issues and to jointly arrive at acceptable solutions. As we have pointed out there are several possibilities available and we are sure there are others. It is time for such a forum before approving a rate increase. We believe the Commission has the power to make that happen. Because of the number of Winter Visitors involved setting a date for such a forum should be between December 1, 2011 and March 31, 2012. In the mean while the Utility/Developer should be able to find a number of the abusers as described above to alleviate any financial shortfall.. Also the Commission could set up a way for the fine to be applied to the operations of the Sewer System to ensure ongoing stability while requiring a long range detailed business plan and input from the form before granting any rate increase.

We hope this can be valuable input to your hearing. We will not be able to attend the meeting but we are available by Phone. Many other residents can be made available as well.

Thank you for the opportunity to address this most important issue,
Kenneth & Anna Wilkes

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Opinion docketed
End of Comments

Date Completed: 5/2/2011

Opinion No. 2011 - 94924
